

**STATE OF WEST VIRGINIA
WEST VIRGINIA SECURITIES COMMISSION
BEFORE THE SECURITIES COMMISSIONER
CHARLESTON, WEST VIRGINIA 25305**

ORDER NO. 99-1252

**EXAMINATION / QUALIFICATION REQUIREMENTS
FOR INVESTMENT ADVISER OR INVESTMENT ADVISER
REPRESENTATIVE
(13.01(2))**

Pursuant to the authority granted to him by Chapter 32, of the West Virginia Code, 1931, as amended ("the West Virginia Uniform Securities Act"), hereinafter sometimes referred to as the "Act", and particularly Chapter 32, Article 4, Section 412 of the Act, the Commissioner of Securities ("Commissioner") has reviewed the North American Securities Administrators Association, Inc. (NASAA) sample rule on the modified series 65 & 66 exams.

Pursuant to said review, the Commissioner is of the opinion and finds as follows:

Findings of Fact

1. The West Virginia Administrative Regulations requires that as a condition of registration as an Investment Adviser or as an Investment Adviser Representative, an applicant for registration is required to pass a written examination prescribed by the Commissioner.
2. NASAA will implement a revised Series 65 Exam on January 1, 2000, and will at that time retire the version of the Series 65 Exam in use as of the date of this Order.
3. NASAA has requested that all state securities agencies that compose its membership implement the adoption of its revised Series 65 Exam and its requirements for the Series 66 Exam as of January 1, 2000, and adopt a NASAA sample policy governing such examinations, in order to promote uniformity of state regulation of the securities industry.

4. This Order is necessary and appropriate in the public interest, for the protection of investors and to achieve maximum uniformity.

Conclusions of Law

1. Chapter 32, Article 4, Section 412(a) of the Act provides that the Commissioner may from time to time make orders as necessary to carry out the provisions of the Act.

2. This Order is consistent with the purposes fairly intended by the policies and provisions of the Act as required in Chapter 32, Article 4, Section 412(b) of the Act.

3. The Administrative Regulations, specifically rule 13.01 (2), are sufficiently broad to allow the Commissioner flexibility to adopt examination and procedures for implementation of the NASAA sample policy.

NOW, THEREFORE, IT IS HEREBY ORDERED that the following policies be adopted and implemented by the West Virginia Securities Division effective as of January 1, 2000:

EXAMINATIONS FOR INVESTMENT ADVISERS AND INVESTMENT ADVISER REPRESENTATIVES

(A) EXAMINATION REQUIREMENTS. A person applying to be registered as an investment adviser or investment adviser representative under the Act shall provide the Commissioner with proof that he or she has obtained a passing score on either:

- (1) The Uniform Investment Adviser Law Examination (Series 65 Exam); or
- (2) The General Securities Representative Examination (Series 7 Exam) and the Uniform Combined State Law Examination (Series 66 Exam).

(B) GRANDFATHERING.

(1) Any individual who is registered as an investment adviser or investment adviser representative in any jurisdiction in the United States on January 1, 2000 shall not be required to satisfy the examination required for continued registration,

except that the Commissioner may require additional examinations for any individual found to have violated any federal or state securities laws or regulations.

(2) An individual who has not been registered in any jurisdiction for a period of two (2) years shall be required to comply with the examinations requirements of Section A above.

(3) An individual who passed a Uniform Securities Agent State Law Examination (Series 63 Exam) and one other exam administered by the National Association of Securities Dealers, Inc. (NASD) prior to January 1, 1995 will be accepted in lieu of a Series 65 Exam.

(4) An individual who passed a Uniform Combined State Law Examination (Series 66 Exam) prior to January 1, 2000 will be accepted in lieu of a Series 65 Exam.

(C) WAIVERS. The examination requirement shall not apply to an individual who currently holds one of the following professional designations:

(1) Certified Financial Planner (CFP) awarded by the International Board of Standards and Practices for Certified Financial Planners, Inc.;

(2) Chartered Financial Consultant (ChFC) awarded by the American College, Bryn Mawr, Pennsylvania;

(3) Personal Financial Specialist (PFS) awarded by American Institute of Certified Public Accountants;

(4) Chartered Financial Analyst (CFA) awarded by the Institute of Chartered Financial Analysts;

(5) Chartered Investment Counselor (CIC) awarded by the Investment Counsel Association of America, Inc.; or

(6) Such other professional designation as the Commissioner may by order recognize.

(7) No waiver will be considered, except upon written application.

**(D) THIS ORDER SHALL REMAIN IN EFFECT UNTIL
MODIFIED OR VACATED BY THE COMMISSIONER.**

Entered this 21st day of December, 1999

Glen B. Gainer, III
Commissioner of Securities

By: Chester F. Thompson
Deputy Commissioner of Securities